



236979  
526 S. Church St.  
Charlotte, N.C. 28202  
Phillip O. Stillman, General Manager  
Duke Energy Carolinas  
EC06E / P.O. Box 1006  
Charlotte, N.C. 28201-1006  
704 382-8070  
704 382-7939 fax

May 25, 2012

Jocelyn Boyd  
Chief Clerk and Administrator  
Public Service Commission of South Carolina  
Post Office Drawer 11649  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29211

Dear Ms. Jocelyn Boyd:

Enclosed is the quarterly report of Duke Energy Carolinas, LLC  
for the twelve months ending March 31, 2012. Please feel free to  
call me at (704) 382-8070.

Sincerely,

Phillip O. Stillman  
Regulatory Accounting and Planning

Enclosure

cc: Mr. Dukes Scott  
Executive Director  
Office of Regulatory Staff

Mr. John Flitter  
Director, Electric & Gas Regulation  
Office of Regulatory Staff

CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, Catherine E. Heigel, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

Catherine E. Heigel  
Signature of President

Catherine E. Heigel  
Typed or Printed Name of Person Signing

President, Duke Energy South Carolina  
Title

May 25, 2012  
Date Signed

Subscribed and sworn to before me this 25 day of May, 2012.

Danielle Peoples  
Notary Public

My Commission Expires: 2/7/2012



CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, James D. Wiles, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

James D. Wiles

Signature of Person Making Verification

James D. Wiles

Typed or Printed Name of Person Signing

VP, Franchised Electric and Gas Accounting  
Title

May 23, 2012

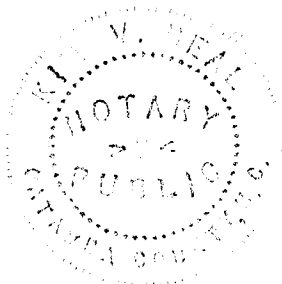
Date Signed

Subscribed and sworn to before me this 23 day of May, 2012.

Kim V. Beal

Notary Public

My Commission Expires: October 24, 2014



Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjs (a) (Col. 3)	As Adjusted (Col. 4)
1	Electric Operating Revenue	\$ 6,406,068	23.8522%	\$ 1,527,990	\$ 85,293	\$ 1,613,282
2	Electric Operating Expenses:					
3	Operation and Maintenance:					
4	Fuel Used in Electric Generation	1,550,084	25.4351%	394,265	(1,268)	392,997
5	Purchased Power and Net Interchange	305,525	25.5514%	78,066	(190)	77,876
6	Wages, Benefits, Materials, etc.	1,761,641	24.2808%	427,740	13,564	441,304
7	Depreciation and Amortization	806,112	24.6641%	198,820	46,983	245,803
8	General Taxes	343,164	20.8679%	71,611	8,980	80,591
9	Interest on Customer Deposits	6,011	11.4956%	691	(1)	690
10	Income Taxes	514,838	21.3407%	109,870	2,918	112,788
11	Amortization of Investment Tax Credit	(6,753)	23.7080%	(1,601)	6	(1,595)
12	Total Electric Operating Expenses	5,280,622	24.2294%	1,279,462	70,992	1,350,454
13	Operating Income	\$ 1,125,446	22.0826%	\$ 248,528	\$ 14,301	\$ 262,828
14	Add: Customer Growth Adjustment				653	653
15	Income for Return			\$ 248,528	\$ 14,954	\$ 263,481
16	Original Cost Rate Base (b)			\$ 3,911,775	\$ 19,544	\$ 3,931,319
17	Rate of Return on South Carolina Retail Rate Base			6.35%		6.70%

Notes: (a) From Page 3, "Total Adjustments" line.

(b) From Page 4, Line 12.

Duke Energy Carolinas, LLC  
CALCULATION OF RATE OF RETURN  
SC Quarterly for March 31, 2012  
(Thousands of Dollars)

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Line No.	Description	Total Company Capitalization		South Carolina Retail			
		Amount (Col. 1)	Ratio (Col. 2)	Per Book		Pro Forma	
				Retail Rate Base (Col. 3)	Cost/ Return % (Col. 4)	Operating Income (Col. 5)	Operating Income (Col. 8)
1	Long-Term Debt	\$ 8,095,699	45.39%	\$ 1,775,555	5.38%	\$ 95,525	\$ 96,002
2	Preferred Stock	-	0.00%	-	0.00%	-	-
3	Members' Equity	9,738,685	54.61%	2,136,220	7.16%	153,003	167,479
4	Total	\$ 17,834,384	100.00%	\$ 3,911,775 (a)		\$ 248,528 (b)	\$ 263,481 (d)
		=====	=====	=====		=====	=====

Notes: (a) From Page 4, Line 12, Column 2.

(b) From Page 1, Line 15, Column 2.

(c) From Page 4, Line 12, Column 4.

(d) From Page 1, Line 15, Column 4.

(e) If adjusted for weather, this rate would be 7.63%.

(f) Includes pre-tax non-firm wholesale sales profits for the total system of approximately \$1 million for the 12 months ended 03/31/12.  
Net of tax South Carolina Retail allocation of profits amounts to approximately {\$0} million.

Line No.	Description	Electric Operating Revenue (Col. 1)	Fuel Used in Electric Generation (Col. 2)	Purchased Power and Net Interchange (Col. 3)	Wages Benefits Materials Etc. (Col. 4)	Depreciation and Amortization (Col. 5)	General Taxes (Col. 6)	Interest on Customer Deposits (Col. 7)	Income Taxes (Col. 8)	Amortization of ITC (Col. 9)	Net Operating Income (Col. 10)
1	To Annualize Depreciation on Year-End Plant	\$ -	\$ -	\$ -	\$ -	\$ 8,735	\$ -	\$ -	\$ (3,411)	\$ -	\$ (5,324)
2	To Annualize Wage Rate Increase	-	-	-	2,888	-	496	-	(1,322)	-	(2,062)
3	To Eliminate Voluntary Opportunity Plan and Office Consolidation Deferral	-	-	-	20,598	-	-	-	(8,044)	-	(12,554)
4	To Annualize Property Taxes on Year-End Plant	-	-	-	-	-	3,248	-	(1,268)	-	(1,980)
5	To Reflect CWIP Closings to Plant	-	-	-	-	26,502	5,135	-	(12,356)	-	(19,281)
6	To Adjust Income Taxes to Reflect Interest Synchronization	-	-	-	-	-	-	-	(3,951)	-	3,951
7	To Annualize Rate Case Increase	77,370	-	-	-	-	351	-	30,079	-	46,940
8	To Annualize Amortization of Deferral Balance Related to Cliffside Unit 5 Scrubber	-	-	-	-	4,820	-	-	(1,882)	-	(2,938)
9	To Annualize Operating Costs for Cliffside Unit 5 Scrubber	-	-	-	453	-	-	-	(177)	-	(276)
10	To Annualize Amortization of Rate Case Costs	-	-	-	-	13	-	-	(5)	-	(8)
11	To Annualize Amortization of Voluntary Opportunity Plan Costs	-	-	-	-	6,553	-	-	(2,559)	-	(3,994)
12	To Annualize Amortization of Pension Settlement Costs	-	-	-	-	478	-	-	(187)	-	(291)
13	To Eliminate Progress Merger Costs to Achieve	-	-	-	(8,695)	-	-	-	3,396	-	5,299
14	To eliminate unbilled revenue adjustment	9,159	-	-	-	-	-	-	3,577	-	5,582
15	To Annualize Depreciation of Buck and Bridgewater Deferred Costs	-	-	-	-	546	-	-	(213)	-	(333)
16	To Exclude Greenwood Operations	(1,236)	(1,268)	(190)	(1,680)	(664)	(250)	(1)	1,241	6	1,570
17	Total Adjustments	\$ 85,293	\$ (1,268)	\$ (190)	\$ 13,564	\$ 46,983	\$ 8,980	\$ (1)	\$ 2,918	\$ 6	\$ 14,301

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Electric Plant in Service	\$ 29,235,913		\$ 6,738,497	\$ 857,555	\$ 7,596,052
2	Less: Accumulated Depreciation and Amortization	(13,014,707)		(2,914,470)	(35,237)	(2,949,707)
3	Net Electric Plant	16,221,206		3,824,027	822,318	4,646,345
4	Add: Materials and Supplies	1,031,932		254,354	(53,245)	201,109
5	Working Capital Investment	1,188,414		273,494	-	273,494
6	Plant Held for Future Use	3,065	25.2312%	773	-	773
7	Less: Accumulated Deferred Taxes	(4,075,814)	24.2441%	(988,145)	(86,209)	(1,074,354)
8	Operating Reserves	(211,252)	39.3445%	(83,116)	-	(83,116)
9	Customer Deposits	(97,001)		(21,022)	-	(21,022)
10	Greenwood				(11,910)	(11,910)
11	Construction Work in Progress	988,455		651,410	(651,410)	-
12	Total Original Cost Rate Base	\$ 15,049,005 =====		\$ 3,911,775 =====	\$ 19,544 =====	\$ 3,931,319 =====

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 15,258,671		\$ 3,380,496	\$ 770,293	\$ 4,150,789
2	Transmission	2,713,806	18.2718%	495,860	14,643	510,503
3	Distribution (b)	9,043,832	25.5654%	2,312,091	33,716	2,345,807
4	General	719,757	24.0891%	173,383	5,857	179,240
5	Intangible	448,113	23.7005%	106,205	33,046	139,251
6	Subtotal	28,184,179	22.9492%	6,468,035	857,555	7,325,590
7	Nuclear Fuel	1,051,734	25.7158%	270,462		270,462
8	Total Electric Plant in Service	\$ 29,235,913 (a) =====		\$ 6,738,497 =====	\$ 857,555 =====	\$ 7,596,052 =====

Notes: (a) Excludes asset retirement obligations, electric plant held for future use, electric plant acquisition adjustments, and other electric plant adjustments of (\$85,170) thousand; includes investment in Appendix J Program Owners's Group (APOG) of \$1,589 thousand.  
(b) The accounting adjustment in Col. 3 reflects plant in service additions not related to customer growth.



Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 6,798,026		\$ 1,373,904	\$ 33,619	\$ 1,407,523
2	Transmission	1,195,448	18.2053%	217,634	(3,409)	214,225
3	Distribution	3,904,913		1,034,604	1,545	1,036,149
4	General	160,063	33.2245%	53,180	2,434	55,614
5	Intangible	321,705	22.3708%	71,968	1,048	73,016
6	Subtotal	12,380,155	22.2234%	2,751,290	35,237	2,786,527
7	Nuclear Fuel	634,552	25.7158%	163,180		163,180
8	Total Accumulated Depreciation and Amortization	\$ 13,014,707 (a)		\$ 2,914,470	\$ 35,237	\$ 2,949,707

The annual composite rates for computing depreciation (straight-line method) are shown below.

9	Steam Production Plant	3.57%
10	Nuclear Production Plant (Excl. Nuclear Decommissioning)	2.35%
11	Hydro Production Plant	3.44%
12	Combustion Turbine Production Plant	3.62%
13	Solar Production Plant	5.38%
	Transmission Plant:	
14	Right-of-Way	1.16%
15	Other	2.03%
16	Distribution Plant	2.33%
17	General Plant	Various
18	Land Rights	0.81% - 1.88%
19	Intangible Plant	20.00%

Note: (a) Excludes accumulated amortization of electric plant acquisition adjustment and accumulated depreciation related to asset retirement obligations totaling (\$23,233) thousand and reclassifies cost of removal and other deferred credits to increase accumulated depreciation by \$1,518,596 thousand.

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
		Per Books (Col. 2)		Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)	
	Fuel Stock:					
1	Coal	\$ 502,448	25.7158%	\$ 129,208	\$ (53,245)	\$ 75,963
2	Oil	32,961	25.7158%	8,476	-	8,476
3	Total Fuel Stock	535,409	25.7157%	137,684	(53,245)	84,439
4	Other Electric Materials and Supplies & Stores Clearing	496,523	23.4974%	116,670	-	116,670
5	Total Materials and Supplies	\$ 1,031,932		\$ 254,354	\$ (53,245)	\$ 201,109
		=====		=====	=====	=====

Note: (a) Adjustment to per book coal inventory balance to reflect target inventory level.

Coal Inventory Target Level (in tons)	2,970		
Price per Ton - Coal	\$ 99.46		
Total Company Pro Forma Inventory	\$ 295,396	25.7158%	75,963
	=====		
Per Book Coal Inventory			129,208
			-----
Coal Adjustment			\$ (53,245)
			=====

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Twelve Months Operating and Maintenance Expenses, Exclusive of Purchased Power and Nuclear Fuel Expense	\$ 3,107,816		\$ 769,469	-	\$ 769,469
		=====		=====	=====	=====
2	1/8 of O&M Expenses on Line 1	\$ 388,477		\$ 96,184		\$ 96,184
3	Less: Average Taxes Accrued	(24,677)		(13,846)	-	(13,846)
		-----		-----	-----	-----
4	Subtotal	363,800		82,338	-	82,338
5	Required Bank Balances	340	23.5902%	80	-	80
6	Bond Reacquisition Premiums	117,876	17.2749%	20,363	-	20,363
7	Pension Funding	663,619	24.1839%	160,489	-	160,489
8	Prepayments	42,779	23.8987%	10,224	-	10,224
		-----		-----	-----	-----
9	Total Working Capital Investment	\$ 1,188,414		\$ 273,494	\$ -	\$ 273,494
		=====		=====	=====	=====

Duke Energy Carolinas, LLC  
CONSTRUCTION WORK IN PROCESS AT MONTH END  
SC Quarterly for March 31, 2012  
(Thousands of Dollars)

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Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 3,420,585	23.8987%	\$ 817,476	\$ -	\$ 817,476
2	Transmission	165,478	18.2026%	30,121	-	30,121
3	Distribution	64,673	25.5654%	16,534	-	16,534
4	General	26,308	24.0891%	6,337	-	6,337
5	Intangible	283,506	23.7005%	67,192	-	67,192
6	Total Construction Work in Progress	<u>\$ 3,960,550</u> =====		<u>\$ 937,660</u> =====	<u>\$ -</u> =====	<u>\$ 937,660</u> =====

Line

No. Description

Twelve Months Ended 31-Mar-2012

1	SEC Fixed Charges Coverage	3.93
2	Earnings per Share	\$1.12

Line No.	Description	Total Company (a)	Wholesale Jurisdiction (b)	% of Total (c)	N.C. Retail (d)	% of Total (e)	S.C. Retail (f)	% of Total (g)
<u>Operating Revenues (\$000s)</u>								
1	Residential	\$ 2,539,257			\$ 1,948,123	76.7202%	\$ 591,134	23.2798%
2	Commercial	2,002,773			1,579,578	78.8695%	423,195	21.1305%
3	Industrial	1,093,507			667,310	61.0247%	426,198	38.9753%
4	Public Street & Highway Lighting	39,459			33,545	85.0123%	5,914	14.9877%
5	Interdepartmental	-			-	0.0000%	-	0.0000%
6	Sales for Resale:							
7	Special Contract	337,934	\$ 318,937	94.3785%	18,547	5.4883%	450	0.1332%
8	Other	-	-	0.0000%	-	-	-	-
9	Total Revenue from Sales of Electricity	\$ 6,012,931	\$ 318,937	5.3042%	\$ 4,247,103	70.6328%	\$ 1,446,890	24.0630%
<u>Kilowatthour Sales (000s)</u>								
10	Residential	27,181,623			20,740,909	76.3049%	6,440,715	23.6951%
11	Commercial	27,495,554			21,812,783	79.3320%	5,682,772	20.6680%
12	Industrial	20,872,326			12,213,523	58.5154%	8,658,803	41.4846%
13	Public Street & Highway Lighting	286,777			245,407	85.5742%	41,370	14.4258%
14	Interdepartmental	-			-	0.0000%	-	0.0000%
15	Sales for Resale:							
16	Special Contract	5,585,885	5,271,874	94.3785%	306,570	5.4883%	7,440	0.1332%
17	Other	-	0	0.0000%	-	-	-	-
18	Total KWH Sales	81,422,166	5,271,874	6.4747%	55,319,192	67.9412%	20,831,100	25.5841%
<u>Revenue Per KWH Sold (Cents)</u>								
19	Residential	9.34			9.39		9.18	
20	Commercial	7.28			7.24		7.45	
21	Industrial	5.24			5.46		4.92	
22	Public Street & Highway Lighting	13.76			13.67		14.29	
23	Interdepartmental	0.00			0.00		0.00	
24	Sales for Resale:							
25	Special Contract	6.05	6.05		6.05		6.05	
26	Other	0.00	0.00		-		-	
27	Total Revenue per KWH Sold	7.38	6.05		7.68		6.95	